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ABSTRACT

Total quality management (TQM) is based on the fundamental philosophy that it is always more effective to do something right the first time than it is to correct deficiencies. It seeks to improve quality and increase customer satisfaction by restructuring traditional management and organizational practices. Common characteristics of TQM include the following: customer-driven; strong leadership; employee participation; continuous improvement; action based on facts, data, and analysis; and prevention versus inspection. TQM was initially applied to manufacturing, although it is now finding applications in the service sector, including health, finance, and human services. TQM can be applied to employment and training activities such as Job Training Partnership Act (JTPA) Title IIA adult training programs. JTPA programs include performance standards such as employment rate and earnings at follow-up. Activities that lead to these performance standards include recruitment, certification, training and supportive services, placement, and retention and follow-up. The tenets of TQM can be applied to this process by planning backward from desired outcomes to initial activities. For JTPA this means planning should start with retention and work backward toward recruitment. In this way, performance standards can be used as the basis of employment and training TQM. Continuous monitoring is necessary to ensure that program standards are updated and that activities are revised to help program participants meet the standards. TQM can benefit service providers, service delivery areas, and the JTPA system by more effective use of resources, and will result in participants being trained to meet the quality expectations of employers. (Contains 9 references). (KC)

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Employment and Training Division

TOTAL QUALITY MANAGEMENT (TQM):

Public Sector Applications for Training Programs

What is Total Quality Management (TQM)? It has both universal and specific meanings. It is universal in the sense that TQM consists of a consistent set of characteristics based on a primary philosophy. It is specific to each instance in which it is applied. The application of TQM is unique to each organization adopting it. Total quality management is based on a fundamental philosophy - It is always more effective to do something right the first time than it is to correct deficiencies. It seeks to improve quality and increase customer satisfaction by restructuring traditional management and organizational practices.

The word quality has multiple meanings. Two of these definitions stand out: Meeting the needs of customers and freedom from deficiencies. Meeting the standards of customers (internal and external) is the most commonly applied definition in TQM.

In addition to being a philosophy, TQM is a process composed of common attributes. A consensus has formed around the characteristics that are common to all TQM efforts. These common characteristics are:

- Customer-Driven
- Strong Leadership
- Employee Participation
- Continuous Improvement
- Action based on Facts, Data, and Analysis
- Prevention versus Inspection.

Although total quality management is often viewed as a relatively new approach to the art of management, quality has been a constant characteristic of many organizations. In the current environment of international competitiveness, TQM movements have become a synthesis of the focus of historical processes and philosophies, including the contributions of dominate individuals. The triumvirate of quality guru's has been identified as W. Edwards Deming, J.M. Juran, and Philip B. Crosby. Deming and Juran are most often associated with statistical process control, although even a cursory reading of Deming's Fourteen Points demonstrates a total organizational view. Crosby, a developer of the zero defects movement, is often associated with the organizational characteristics of quality and quality management. It is important to recognize that while their individual contributions cannot be minimized, quality movements and management are not new to U.S. organizations. A result of these historical efforts has been the development of recognition of quality activities and awards for achievement - the Baldridge Award in the U.S. and the Deming Award in Japan. In addition, such processes as just-in-time and supplier improvement programs have be spun off in the manufacturing sector.

Total quality management was initially applied to the manufacturing environment. It is quickly finding applications in the service sector, including health, finance, and human service activities to provide more effective customer service and provide more efficient program operation, including fiscal benefits. It is in this context that TQM may be applied to employment and training activities. The critical bridge between training and employers is quality, both in the qualified participants who complete training and in the quality expectations of employers. Training programs must recognize and respond with equal effectiveness to meet the expectations of their internal customers (maintaining institutional and program standards) and their external customers (funding entities and employers).

This presentation is limited to Job Training Partnership ACT (JTPA) Title IIA (78%) adult training programs. Performance standards have been a consistent characteristic of JTPA. These, coupled with the data driven

regression model for determination of local conditions, have served as one of the major forces in the determination of JTPA quality. Additional forces include analytical studies by both government and private sectors to determine the level of consistency between the intention of the legislation, including the 1992 Reform Amendments, the social and economic policies on which it was predicated, the delivery of support and training services, and system-wide outcomes. Current performance standards include:

- Adult Follow-up Employment Rate: 62%
- Adult Weekly Earnings at Follow-up: $228 ($5.70 @ 40 hours)
- Welfare Follow-up Employment Rate: 51%
- Welfare Weekly Earnings at Follow-up: $207 (5.175 @ 40 hours)

However, training programs, including both classroom vocational training (CVT) and on-the-job training (OJT), consist of a series of activities which lead to these performance standards. These include:

- Recruitment
- Certification
- Training and Supportive Services
- Placement
- Retention/Follow-Up

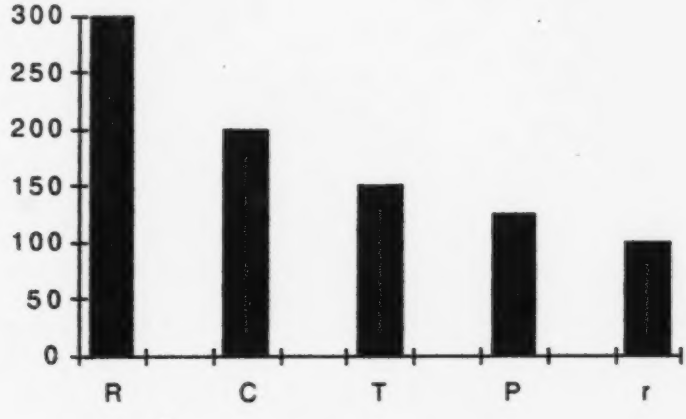
This presentation is based on several assertions:

- Current performances standards are terminal standards which represent an employment and training counterpart to inspection rather than prevention in manufacturing.
- Quality improvement in employment and training programs is equal to the sum of the activities of the components of training programs, both service providers and service delivery areas.
- Application of TQM at the training level provides the opportunity for adjustment of the program design and processes for training activities to meet or exceed performance standards, consistent with local conditions outlined in the regression model. This is a characteristic of continuous improvement.

These assertions have been tested in the JTPA "real world" of training. In addition, they can be identified in many successful service provider and

service delivery area programs, even though their practitioners may not clearly define their activities as TQM. Planning is critical to the success of these programs, and planning is a backward process. That is it works from desired outcomes in reverse order to initial activities. For JTPA this means planning should start with retention and work backward toward recruitment. In this way, performance standards can be used as the base for employment and training TQM. It is important to note here that as initial and internal conditions change, the outcomes in the regression model change. In order to meet or exceed the local standard of performance determined by the regression model, continuous monitoring of activity status is critical to program operators, and SDA monitors, in order to provide facts and data which can be analyzed for recommended action in order to achieve and maintain forecast outcomes. One method for enhancing this process is the cumulation of performance data, based on the activities of previous years and outcomes for use in forecasting and planning. An idealized vision of the process could be:

Activity	Factor	Number of Participants
• Recruitment (R):	3X	300
• Certification (C):	2X	200
• Training (T):	1.5X	150
• Placement (P):	1.25X	125
• Retention (r):	X	100



This performance chart visually illustrates the relationship between each activity, and those that precede and follow it. The performance "curve" illustrates a positive relationship. Should the relationships change negatively (e.g., the relationship between enrollments and completions), process analysis and modification would be required. In this way, planning for activities, and the allocation of necessary resources to ensure their success, can be predicated on the product (performance standards at retention) and the process (program activities).

While each consensus TQM characteristic identified above is critical, this presentation has focused on action based on facts, data, and analysis. The development of this information, however, provides the opportunity for the application of continuous improvement, both during a program year, through the focused adjustment of the level of process activities, and over several program years, through the incremental application of continuous improvement activities. The benefits to service providers, service delivery areas, and the JTPA system will be found in more effective and efficient use of resources. The ultimate benefits will accrue to participants trained to meet the quality expectations of employers.

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